BN: Taking an aggressive approach to marketing

May 31, 1982

RAILWAY AGE

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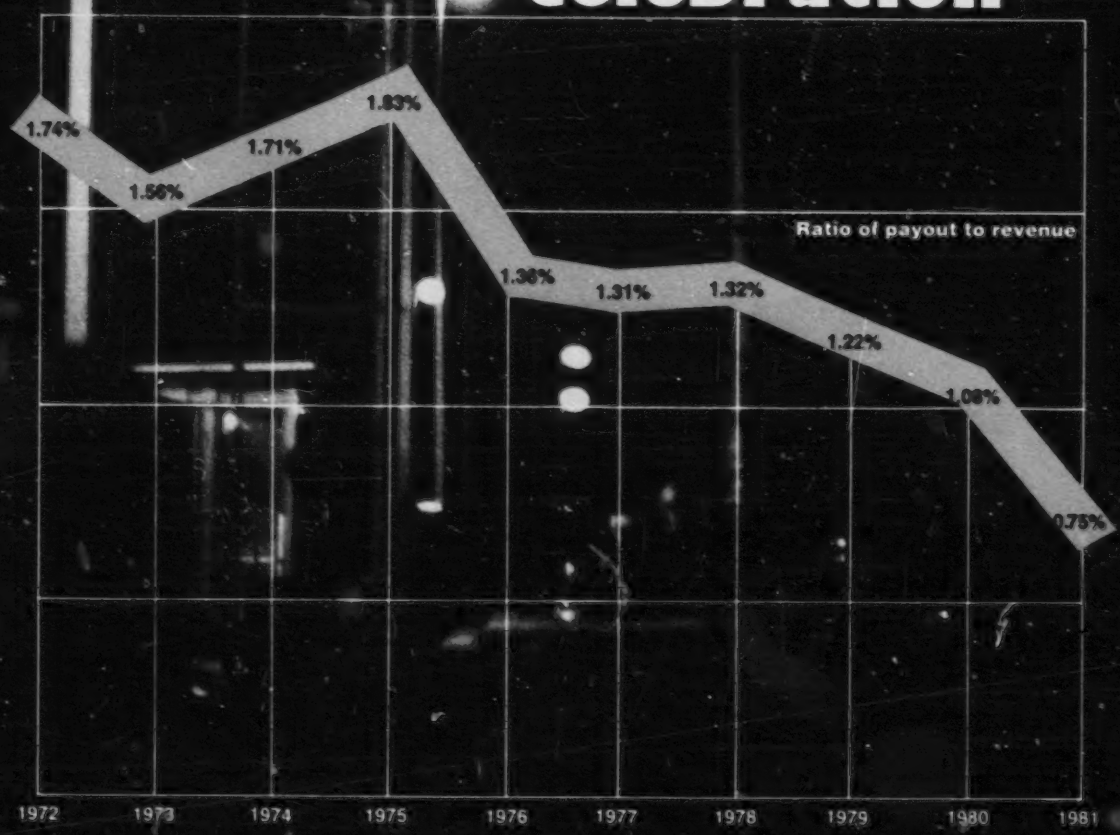
L&D prevention: There's cause for celebration



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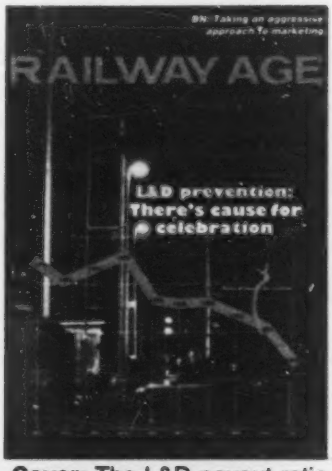
RAILWAY AGE

May 31, 1982

FEATURES



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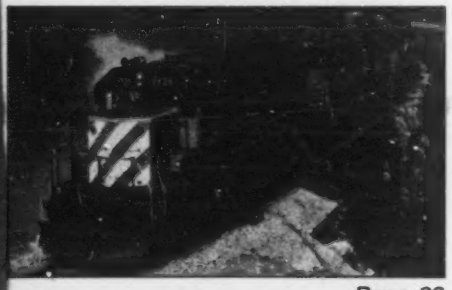

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L&D prevention:

There's cause for celebration

By GUS WELTY,
Senior Editor

Railroads last year paid out only 75 cents in L&D claims for every $100 of revenues, continuing a dramatic turnaround.

In the sense that avoidance of loss contributes to profit, railroad freight loss-and-damage prevention departments are rapidly turning themselves into profit centers.

Look at it this way: Just a dozen years ago, railroads were paying out $1.97 in loss-and-damage claims for every $100 of freight revenue. If that 1.97% ratio had remained constant, railroads in 1981 would have paid out $550 million in claims. But the ratio did *not* remain constant, thanks to a tremendous cooperative effort that has been made over the past decade by the AAR, individual railroads, shippers and suppliers. And last year, instead of paying out $550 million at a rate of almost $2 per $100 in revenue, the industry paid out just $256 million, or 75 cents per $100 in freight sales.

Of course, not all of this saving goes straight to the net-income line—but a major part of it does, because loss-and-damge prevention is a low-cost buy when it's laid alongside the benefits that can be gained.

Among the highlights of this most-productive year in L&D prevention:

—Despite inflation, dollar payout declined. For 1981, claim payments were down by more than $67.6 million from the 1980 total, or 20.9%. Last year was the second year in a row that the actual dollar number declined, and at $256.8 million, payout was at its lowest point since 1973.

—For '81, carloadings were down by 4.2% and revenue ton-miles by 0.4%. But the number of new claims filed declined by 23.7%, from more than 1.5 million in 1980 to 1,182,427 last year. That was the lowest number of new claims filed since 1921.

—Of 59 commodity groups covered in the report of the AAR's Freight Claim and Damage Prevention Division, only six showed increases in payout. And payout declined in all 12 of the cause categories.

• The figures don't lie. What has accounted for the steady improvement in L&D numbers and the spectacular improvement last year? Not phony bookkeeping, but a lot of hard work by all concerned, work supported by top-management commitment by both railroads and customers.

L&D-prevention specialists are sensitive to suspicions that the numbers aren't all that they seem to be.

For instance, skeptics could figure that improvement has come about because railroads are simply being tougher about honoring claims, especially during a recession. But in the past, it has been claimants who have become tougher during recessionary times: Payout and the ratio have gone up, not down, during such periods—and it is a fact that the number of new claims filed has been going steadily down since the mid-1970s, with the sharpest drops in 1980 and '81.

What about the impact of increased coal movements? If the ratio is figured on a basis of L&D payout to revenues excluding coal revenues, the number for 1981 would be a few cents over $1—but the trendline would remain unchanged.

What about the slump in automobile production and in the transportation of setup autos and trucks and parts? Rail carloadings of motor vehicles and equipment dropped by about 4.5% last year—but claim payout on vehicles fell by 19.4% and payout on vehicles parts went down by 20.3%.

Well, then, what about commodities where railroads did show substantial increases in traffic—perishables, for instance? Early last year, there were indications that this commodity group might be in serious trouble—but year-end figures told a different story: Payout was down by more than $10.7 million, or 39.4%, even with those substantial traffic increases, and payout caused by delay to shipments dropped by more than 56%.

• An ounce of prevention. By any measure, the L&D improvement has in fact been brought about by hard work, and one of the hardest workers has been AAR's R.A. Grover, now executive director of the Freight Claim and Damage Prevention Division but director-damage prevention during those

years in the 1970s when both the AAR and individual railroads began to realize that an ounce of prevention could prevent a pound of claims.

A self-described "old operating man," Ralph Grover—with strong support from key railroad L&D-prevention officers—turned the AAR damage-prevention staff into a professional group, developed priority systems for attacking damage on a commodity-by-commodity basis, fought for greater recognition of what prevention efforts could mean for the bottom line—and then, having spent each week battling damage, went out on his weekends and raced sports cars.

What is Grover looking forward to now? Still further reductions in both payout and ratio-to-revenue. It was in 1944, he recalls, that the industry had a .90% ratio. Then payout began climbing, and as time passed there developed a certain air of despair that the ratio would never come close to .90% again. A dollar, Ralph Grover says, was the goal, when the ratio was up around 2%, but hardly anybody thought the industry could ever reach it even though a number of individual roads were at or under $1. Then in 1980, the industry knocked on the door and in '81 railroads knocked it down, to post the 0.75% number.

Grover and Gary L. Held, who succeeded him as director-damage prevention, see several opportunities coming up.

One has to do with improvements which have been made in the AAR's packaging lab at the test center in Chicago. Extensively refurbished and re-equipped, the lab is now one of the best in the country, according to Grover and Held.

Another has to do with access to a simulator for L&D-prevention specialists, something that Ralph Grover has been after for several years. L&D people may get that access if AAR and the U.S. Department of Transportation can come to an agreement on AAR operation of certain of the facilities at the DOT test center at Pueblo, Colo., and if the equipment in place there can be modified to meet the requirements for L&D testing.

Under present circumstances, Grover points out, the testing of new devices and methods for damage-prevention is essentially a pass/fail kind of thing. There are impact tests and there are field tests with actual loads, and the failure rate is high. In large part, that's because once a test starts it goes to its logical end, and in field tests investigators are limited to looking at a load at origin, looking at it again at destination and then trying to guess what went wrong if in fact something did.

With a simulator, however, L&D-prevention personnel can observe what's happening while it's happening and perhaps stop the test to make adjustments when a failure is about to occur. As Ralph Grover puts it, use of a simulator would accelerate testing to a great degree, enabling testing personnel to react to a changing test environment and also making it possible for the staff to get into lading-protection design work.

Ratio of L&D payout to revenue

Year	Payout	Ratio
1981	$256,837,076	0.75
1980	324,513,612	1.08
1979	328,009,842	1.22
1978	304,368,906	1.32
1977	277,793,469	1.31
1976	265,638,070	1.36
1975	312,682,894	1.83
1974	293,115,475	1.71
1973	232,576,501	1.56
1972	234,547,470	1.74
1971	234,746,402	1.88
1970	228,316,389	1.97
1969	210,100,163	1.92
1968	181,995,576	1.76
1967	175,206,556	1.82

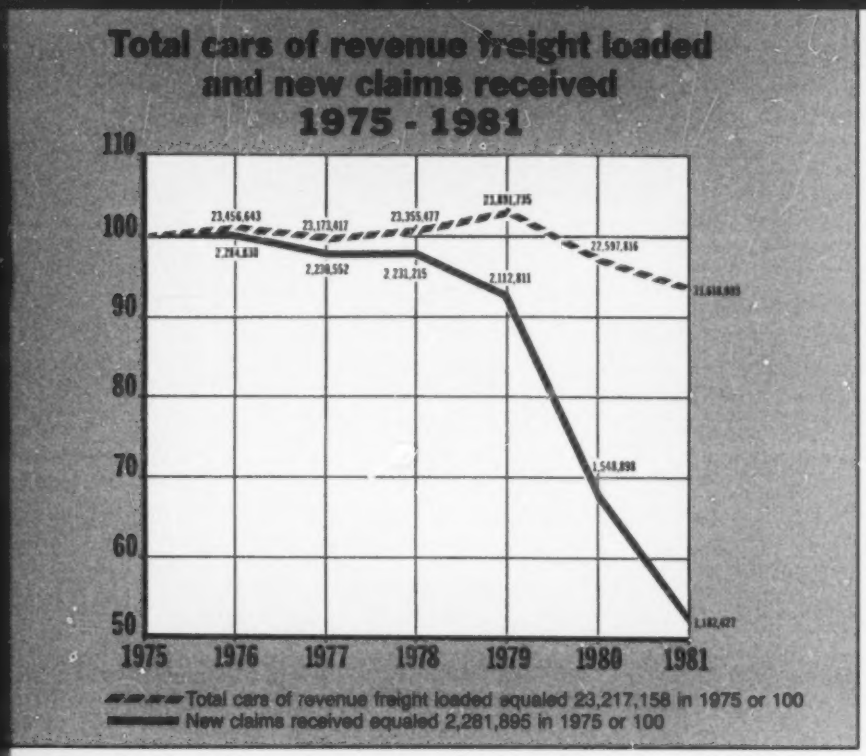
L&D: Cause—and effect

Cause	1981 payout	Change from 1980
Shortage, packaged shipment	$4,528,947	−30.6%
Shortage, bulk shipment	$7,736,207	−36.1
All damage not otherwise provided for	$122,279,696	−29.5
Defective or unfit equipment	$7,855,781	−26.1
Temperature failure	$8,443,611	−28.5
Delay	$3,793,630	−54.7
Robbery, theft, pilferage	$20,532,316	−17.3
Concealed damage	$1,068,394	− 0.5
Train accident	$68,658,198	−16.1
Fire, marine, catastrophe	$6,550,412	− 7.5
Error of employee	$3,175,100	−39.5
Vandalism	$2,214,784	−31.8

• **The 1981 story.** Clearly, L&D-prevention work has come a long way from the days when it was subordinate to claim-payment work, a cart-before-the-horse if ever there was one. And prevention, if Grover and Gary Held can continue to show results, in cooperation with individual railroads and shippers, can go a lot farther still. Take a look at what prevention accomplished last year, first on a major-commodity basis:

—Motor vehicles accounted for 24% of total L&D payout in 1981, even though the dollars were down from $76.3 million in '80 to $61.5 million, and L&D-prevention in this area remains the No. 1 priority item. Increasing use of screened and fully-enclosed cars helped to cut losses due to theft and vandalism by almost 25%, and, AAR says, with more safeguards in the handling of vehicle keys these losses should be cut even farther in '82. Ramp audits are also helping: "With the major origin ramps being audited, the AAR's damage-prevention staff has moved on to the destination ramps where such items as unloading of vehicles, the baying of vehicles and the handling of rail cars after unloading are checked." Another project, now in its final stages of implementation, is an exchange program between railroads and shippers which will involve the pass-along of inspection information via tape for use in helping railroads investigate claims and in highlighting problem areas before they get out of hand.

—A lot of prevention-staff work has also gone into the prepared-foods area, which includes canned goods, grain mill products and miscellaneous food preparations. This effort last year helped to turn a worsening situation into a better one. Payout on these commodities went up by 14.3% in 1980, but it dropped by 21% last year, with a major boost coming from a 27.1% decline in payout caused by use of defective or unfit equipment. A number of workshops on proper loading methods were held in '81, and the AAR, individual railroads and shippers are now testing a food-products warehouse audit (not unlike the auto ramp audits) which may reduce still further the potential for damage and claims.



—Carloadings of pulp, paper and allied products were down by 5% last year, but claim payout declined by more than 19%. This is yet another area where a substantial amount of prevention effort has been concentrated, including the joint development of a loading/unloading program by the AAR, the American Paper Institute and the Technical Association of the Pulp and Paper Industry.

—Loadings of chemicals and allied products dropped by 4.4% last year and L&D payout was down by better than 17%. In this category, almost 63% of the payout in '81 was caused by train accidents—and, while prevention specialists can't be expected to have much direct influence here, the AAR L&D data system will be used to monitor the situation to determine, for example, if specific types of railcars are frequently involved.

—On primary metal products, payout was down by 37.4% in 1981, and two programs undertaken last year should help to keep claim problems under control. In one, impact tests were run to evaluate performance capabilities of two types of retarding systems used in controlling floating loads of coil tin mill products; in the other, test loads were impacted with the coils loaded as free-floating units.

—Machinery (except electrical) was the only commodity area on the AAR's priority list to show a payout increase last year. But, while AAR is considering setting up a special subcommittee to investigate, it's pretty clear what accounted for 1981's 31.7% jump in payout: Payout due to train accidents went up by 106.7%.

—Coal? With carloadings up by 1%, payout went down by 31.4% to $9.2 million, helped along by a 41.4% drop in payout attributable to shortage-bulk shipment.

—For the industry, loadings of lumber and other wood products showed one of the biggest declines last year, 15.4%. But claim payout showed even a bigger drop, 29.4%. During the year, tests were run to evaluate new shipping methods proposed by the American Plywood Association and, AAR says, the implementation of better loading and bracing methods should bring payout down still further and help to keep it in hand when an upturn in traffic does come.

—Grain was another commodity with loadings down and payout down still more, with loadings off by 14.1% and payout down by 19.3%. A couple of things are helping here: The continuing decline in use of box cars for shipping grain, and the development of covered hopper hatch covers of improved design and manufacture.

—L&D-prevention specialists tend to watch damage on household appliances like hawks, in part because the first concentrated commodity-oriented damage-prevention effort, undertaken in the '70s, was in this area. The hawks didn't like what they saw in 1980, an increase in payout—but then payout was cut almost in half in '81, and in the meantime the AAR was developing a new training program to assist both railroads and shippers in preventing damage.

—The category which includes such commodities as clay, concrete, brick and glass saw loadings fall by 12.5% in '81, with claim payout down by more than 31%. But nobody is complacent: AAR will soon be out with a revised pamphlet on loading and shipping of building brick. This, Ralph Grover notes, "is a sensitive and expensive commodity which needs to be watched closely—and the data system will be called upon to examine specific shippers and origin points."

• **The cause categories.** As for the causes of loss and damage, all 12 of them did show declines in dollar payout and the reasons are not all that hard to spot. For example, payout due to shortage-packaged shipment showed up better because the dollars were down on motor vehicles and freight forwarder/shipper association traffic. Payout due to shortage-bulk shipment was down because of use of better equipment for movement of coal, and grain and because of development of more accurate weighing systems for grain. Payout lumped under robbery/theft/pilferage declined because the increased use of enclosed cars for motor vehicles made it harder for thieves to do their work, and that same factor was the big one in the reduced payout charged to vandalism.

If there is a problem with these cause categories, it lies in the way they are structured. Specifically, it lies with Cause 3, all damage not otherwise provided for. Payout due to Cause 3 was down last year, but Cause 3 as a percentage of total payout went up, edging ever closer to 50% of the total. A major part of the problem is that all claims related to improper-handling are dumped into Cause 3 along with payout which can't be laid to any of the specific causes. What do Grover and Held say? For one thing, they point out that "it would be much more profitable from a damage-prevention standpoint to assign known improper-handling its own cause-category," thus making possible better analyses on certain commodities.

That, however, like several other projects Ralph Grover and Gary Held are working on—such as getting their hands on an L&D-prevention simulator—is something for the future.

What they're savoring right now are the numbers—and if you can stand a few more, consider these:

—The actual decline in L&D payout last year was $67.6 million. But if you take inflation into account, using the Producer Price Index, the decline expressed in terms of 1980 dollars works out to be $89.6 million, or 27.6%.

—As prevention-priority programs have taken hold, fewer loads are generating claims. In 1970, customers filed 10.3 claims per 100 carloads shipped. By 1975, the figure had dropped to 9.8. Last year it was 5.6 claims per 100 carloads.

—In 1979, when the industry ratio of payout-to-revenue stood at 1.22%, 20 railroads were paying out more than $1 for every $100 in freight revenues. In 1980, when the overall ratio went down to 1.08%, there were still 16 roads in the $1-and-up category. Last year, with the industry ratio at 0.75%, only six roads remained above $1-per-$100, and of these four showed a decline from the 1980 ratio.

And as Grover quickly points out, these improvements could not have come about without commitment—not just at the AAR level but most importantly at the top-management level all across the industry. Or to put it another way, it used to be that when times got bad and revenues fell, damage-prevention programs felt the ax early-on. That doesn't happen any more, at least in most places. ■

Amtrak: A world-class railroad

"We concluded 1981 as America's sixth largest intercity transportation company. We attained this rank without extensive recognition and against great odds."

By ALAN S. BOYD
President, Amtrak

We cannot afford to let misconceptions about our company and the future of rail transportation persist. We are a $1.3 billion annual enterprise with assets of $2.6 billion.

By many measurements, the National Railroad Passenger Corp. emerged as the business surprise of the year within this country's travel and transportation industry.

Our company achieved revenue growth of 16% in 1981 while many of our competitors faltered due to the bleak, regressive transportation market. The average revenue growth of scheduled air carriers during the same period, for comparison, was a limited 7-10%

Among public, intercity transportation modes, only one demonstrated growth in revenue passenger miles. Amtrak trains experienced a 4% increase in passenger miles, while major airlines declined nearly 7%, scheduled intercity buses dropped about 2%, and automobile travel slowed 1%.

On-time performance of our trains rose 11.6% over the previous year. On many routes, trains consistently perform better than scheduled airlines. High-speed service on the Northeast Corridor between Washington and New York is 92% on time.

We concluded 1981 as America's sixth largest intercity public transportation company, with ridership of nearly 21 million customers. We have attained this rank within our industry without extensive recognition and against great odds.

Operating in the intensely competitive, complex and ever-changing transportation marketplace, we are showing sustained growth at industry-leading levels.

Our young corporation's superior 1981 performance reveals extraordinary progress and maturation. Yet, the riches of one year are not as telling as the results over time. Our dramatic short-time achievements are buttressed by equally appealing growth trends demonstrating consistency and vitality.

Every indicator remains positive. The five-year revenue trend has been upward. Passenger miles, fare yields, on-time performance, equipment dependability and service quality have shown similar progress over the same five-year period.

Meantime, the total corporate employment trend is stabilizing while yielding increased productivity. Our capital investment program has improved many employee workplaces and introduced new technology as we have become a lean, adaptable company.

Robert G. Lewis

These positive trends portray our commitment to a policy of constant growth that will not substitute short-term success for compromised long-term prospects.

We are a transportation company built and strategically positioned for the future. We have brought the nation a world-class passenger train network. It is operating at increasingly high efficiency levels, supported by a creative marketing effort which is generating strong consumer demand.

During 1981, we undertook an appraisal of our principal opportunities and a deliberative allocation of material, human and financial resources.

Where necessary, we have consolidated departments, such as in the operations and maintenance functions, and streamlined management reporting relationships. We have continued to strengthen our management group through an aggressive recruiting program for skilled, business-experienced executives.

Notwithstanding the turbulent year, the executive staff of the corporation has devoted more effort to business planning than during any previous period in the company's history. We are now bringing systematic planning to more levels of management enabling us to focus strategic efforts to the best effect.

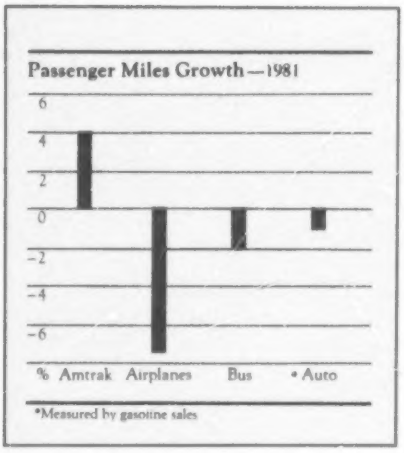
We do not embrace a static strategy. It is essential we remain dynamic in our unique business and government environment. One of our company's great organizational strengths is this ability to adapt rapidly to change while still pursuing our basic mission.

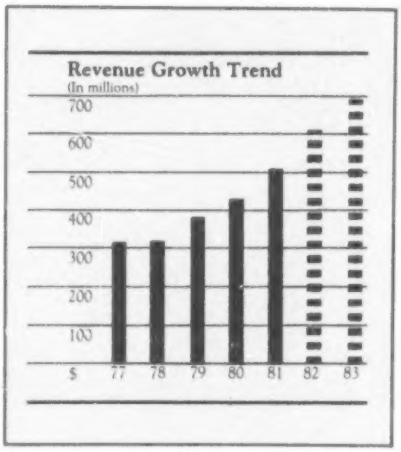
Decentralization, one of our corporate goals continued during 1981, places management responsibility where it encourages growth and initiative. Anticipating challenging conditions in the years ahead, the corporation recognizes the growing importance of employee productivity, ingenuity and dedication.

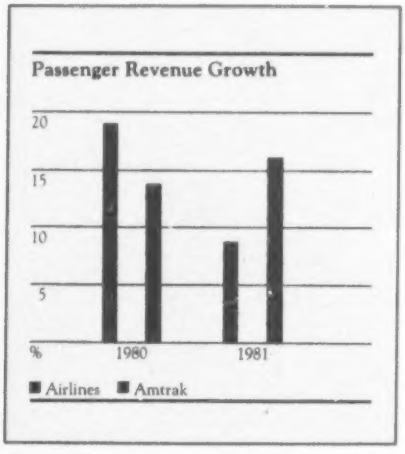
Unexpectedly, 1981 saw the company endure the most severe conflict in our decade-long existence. Proposed federal budget reductions threatened an overnight shrinking of the national, intercity passenger rail system to a Northeast-only operation.

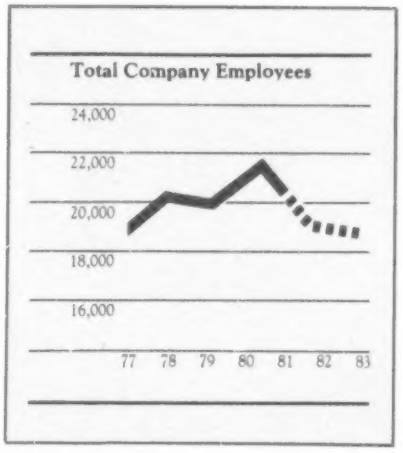
The corporation again was placed in the position of defending itself, facing a level of scrutiny and challenge seldom known to most

Excerpted from Amtrak's 1981 annual report.









American companies. Yet, the mounting record of achievement stated a persuasive argument for support. The debates ended with a reduced federal operating grant adequate to maintain 90% of the national passenger train system with only minor train discontinuances and route adjustments.

Importantly, the year's legislative actions included modifications to existing laws that bode well for increased management flexibility. Legislative adjustments which now enable direct and straightforward negotiations with labor unions are one of our greatest opportunities. They will strengthen our ability to perform and manage the company in a businesslike fashion.

With the Congressional action came new complications. We are now legislatively mandated to eliminate the deficit of on-train food service. A modified meal system introduced during the year has reduced the per passenger outlay by more than half. Additional food service techniques and revenue enhancing measures are being tested and implemented.

The Congress also structured a new corporation as a possible successor to Conrail for the operation of commuter trains in the Northeast. It is presently uncertain which commuter rail agencies will contract with this new corporation for services. The transfer of commuter service to this new corporation is certain to present unknown problems. At the least, new agreements covering interaction with Amtrak trains and facilities must be negotiated. It is an issue that may present one of the corporation's greatest dilemmas.

Requiring that the company achieve a 50% revenue to cost ratio in 1982 was an additional legislative element. The total revenue to expense ratio was 42.1% in 1981, up from 38.3% in 1978, and we remain on course to reach the Congressional goal, three years ahead of the original schedule.

Moreover, the National Railroad Passenger Corp. has set an internal goal for covering all short term avoidable costs from the farebox by 1985. Achievement of this goal places the company in a financial situation which closely parallels the nature of funding support enjoyed by all other forms of public transportation.

Today, we are appropriately positioned to meet our many new challenges. We have a strengthened capital base, an equipment fleet now capable of taking advantage of marketing opportunities, and the dedication and professionalism of over 18,500 men and women from our diverse population.

[There are] several crucial and interdependent keys to the corporation's future success.

Among those keys is the issue of new working relationships with our 15 unions. Setting a precedent, management selected to negotiate independently with our nonoperating unions. With federal support reduced, it was apparent the company could not absorb the anticipated national rail labor settlement.

We are asking our 15 unions for major concessions in the form of work rule reforms and wage increases substantially lower than those of recent industry-wide settlements. And, we are proposing a cooperative labor-management approach to increasing productivity.

Our conceptual approach is simple. We seek to maintain every possible job and create a structure where there will be long-term employment stability with the least possible disadvantage to our dedicated workforce. We are asking only changes in restrictive work rules and other labor-related procedures such that we might have a fair eight hours work for eight hours pay. We also seek to gain the managerial flexibility needed in a dynamic business. The outcome of the historic negotiations will mark a crossroads for the company.

We are benefiting from the shift in our society toward civilized, relaxed lifestyles. Passenger train transportation provides the travel pleasure and comfort now dwindling in other modes. In the future, passenger rail travel will become even more energy conserving. Fuel expense for the Amtrak system represents only 10% of total operating cost, compared to nearly 40% for the airlines. Thus, our business is affected less by fluctuation in world petroleum markets and is situated advantageously as energy prices rise and our productivity increases.

The trends in transportation and society give us reason to be extremely optimistic about our long-term prospects. Our marketing estimate suggests the Amtrak system has the potential for carrying 48 million passengers by 1990, compared to the 20.6 million of today, an impressive increase by any standard.

There are enormous vistas of future growth ahead. We face them with a sure sense of direction and a balanced strategy for growth. Implicit in our taxing internal goals is the requirement that the corporation continue to outperform the industry as a whole.

For the first time since our formation in 1971, management energies are focused on long-term objectives. We have embarked upon an aggressive business diversification program which will help meet future system capital requirements. High speed trains utilizing international technologies are on the immediate horizon.

Our vision of being America's finest transportation company has never been clearer. Our performance justifies this aspiration for the future. ■

Market

CARLOADINGS

Loadings of revenue freight in the week ended May 8 totaled 378,617 cars, according to the Association of American Railroads. This was a decrease of 3,407 cars, or 0.9%, compared with the corresponding week last year. Ton-miles generated by carloadings in the week ended May 8 are estimated at 16.3 billion, a decrease of 1.6% below the corresponding week of 1981. The 1981 week included the sixth week of the coal miners' strike

REVENUE FREIGHT CARLOADINGS

Commodity	May 8 week	May 1 week	Apr. 24 week
Grain	23,746	23,024	25,964
Other farm products	4,185	4,779	4,449
Metallic ores	19,082	20,783	20,424
Coal	118,095	120,213	117,646
Crushed stone, gravel & sand	10,041	9,606	9,942
Nonmetallic minerals	10,531	11,557	10,852
Grain mill products	11,669	12,287	12,079
Food & kindred products	13,507	13,660	13,695
Primary forest products	15,756	15,393	15,025
Lumber & wood products (except furniture)	5,833	6,535	6,496
Pulp, paper & allied products	16,596	17,458	16,956
Chemicals & allied products	24,450	24,878	23,264
Petroleum products	4,672	4,645	4,779
Stone, clay & glass products	10,032	10,054	10,024
Coke	4,992	5,104	5,177
Metals & products	10,269	11,754	11,066
Motor vehicles & equipment	17,078	17,197	17,294
Waste & scrap materials	8,454	8,694	8,876
Forwarder & shipper assn. traffic	8,690	8,890	8,774
All other carloads	40,723	42,789	41,959
LCL traffic	216	226	261
Total Cars Loaded	**378,617**	**389,526**	**385,002**
Cumulative total,		1982	1981
19 weeks	**7,097,074**		**7,921,655**
Estimated revenue ton-miles (billions), 19 weeks	**306.3**		**336.8**

PIGGYBACK LOADINGS

U.S. piggyback loadings for the week ended May 1 totaled 37,055 cars (15.6% above the corresponding 1981 week) and 68,052 trailers or containers (up 9.9% from 1981). Cumulative volume for the first 18 weeks of 1982 is 623,698 cars (up 8.8% from 1981) and 1,109,782 trailers or containers (up 6.2% from 1981).

CANADIAN CARLOADINGS

Canadian railway revenue freight loaded in the seven-day period ended Apr. 14 totaled 4.5 million tons (down 9.8% from 1981). Cars loaded totaled 61,378 (down 16.9% from 1981). Cumulative loadings for 1982 were 64.5 million tons (down 9.6% from 1981).

• *CP Rail*.—A $17-million 1982 budget for Atlantic Region improvements includes: replacement of 235,000 ties, $6.4 million; installation of cwr on 19.2 miles of double track line between Beaconsfield and Vaudreuil, $5 million; replacement of rail at various points between Magog and Foster, $550,000; bridge replacement, $2.2 million; acquisition of 20 brush cutters, ballast regulators, switch tampers and speed swing machines, $1 million; installation of eight hotbox detectors, $900,000; installation of closed circuit tv at St. Luc Yard, Montreal, $800,000.

• *Georgia Power Co*.—Ordered 225 100-ton open top hoppers for coal unit train service from United American Car Co. The cars, to be equipped with the Miner AutoMEC air cylinder operated bottom discharge mechanism for in-motion unloading, will be built at Cartersville, Ga.

• *National Railways of Cameroun*.—Placed a $13.4-million order with Bombardier for ten 2,400-hp, MX620 locomotives. Production is to begin in the first quarter of 1983 at the Montreal plant of Bombardier's Rail and Diesel Products Division, with delivery to be completed three months later. The order is financed by loans from Canada's Export Development Corp. and the Canadian International Development Agency. Bombardier has already delivered 20 similar locomotives to Cameroun.

• *New York City Transit Authority*.—Ordered 18 bottom-dump, 50-ton, 100-cu-ft-capacity ballast cars from Maxon Corp. at a cost of $1.65 million. Delivery will begin in 1984.

• *System Fuels, Inc*.—Ordered 580 Coalporter gondola cars from Bethlehem Steel. Completion of the order, on which work will begin in June, will bring the New Orleans, La., utility's fleet of Coalporters to more than 1,300, according to William T. Anthony, Bethlehem Steel's manager of railroad product sales. The 100-ton 4,000-cu-ft-capacity cars will be used to haul coal from the Powder River Basin in Wyoming to power plants in the southwestern U.S. Bethlehem is now completing work on an order for 350 open-top, quadruple-hopper cars for Denver & Rio Grande Western. Work was recently completed on 350 specially designed Coalporters for Bethlehem's own use (*RA*, Mar. 29, p. 14).

• *Vancouver ALRT*.—A $25-million contract has been awarded to SEL Canada, a division of ITT Industries of Canada Ltd., to supply command and control systems for the Vancouver Advanced Light Rapid Transit System. The contract was awarded by Metro Canada Limited, a subsidiary of the Urban Transportation Development Corp. (UTDC), which has the prime contract for the Vancouver line. SEL Canada will supply an integrated automatic train control system called SELTRAC, which has also been chosen for the Toronto Transit Commission's Scarborough light rail project.